

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:)	Chapter 11
)	
CELSIUS NETWORK LLC, <i>et al.</i> , ¹)	Case No. 22-10964 (MG)
)	
Debtors.)	(Jointly Administered)
)	

**ORDER (I) AUTHORIZING THE
RETENTION AND EMPLOYMENT OF KE ANDREWS
AS PROPERTY TAX SERVICES PROVIDER EFFECTIVE
AS OF JANUARY 1, 2023, AND (II) GRANTING RELATED RELIEF**

Upon the application (the “Application”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (this “Order”), (a) authorizing the Debtors to retain and employ KE Andrews (“KE Andrews”) as the Debtors’ property tax services provider, effective as of March 6, 2023, in accordance with the terms and conditions set forth in the Engagement Letter and Statement of Work, copies of which are attached hereto as Exhibit 1 and Exhibit 2, respectively, and (b) granting related relief, all as more fully set forth in the Application; and upon the Thompson Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the Southern District of New York, entered February 1, 2012; and this Court having the power to enter a final order consistent with Article III of the United

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); Celsius US Holding LLC (7956); GK8 Ltd. (1209); GK8 UK Limited (0893); and GK8 USA LLC (9450). The location of Debtor Celsius Network LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Application.

States Constitution; and this Court having found that venue of these cases in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that KE Andrews does not hold or represent an adverse interest to the Debtors or their estates and is disinterested under 11 U.S.C. § 101(14); and this Court having found that the relief requested in the Application is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Application and opportunity for a hearing thereon were appropriate under the circumstances and no other notice need be provided; and this Court having determined that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefore, it is

HEREBY ORDERED THAT:

1. The Application is granted as set forth herein.
2. In accordance with sections 327(a) and 328 of the Bankruptcy Code, Bankruptcy Rules 2014, and Local Rules 2014-1 and 2016-1, the Debtors are authorized to employ and retain KE Andrews effective as of March 6, 2023, in accordance with the terms and conditions set forth in the Application, Engagement Letter, and Statement of Work, as modified by this Order.
3. The terms of the Engagement Letter and the Statement of Work, including without limitation, the compensation provisions, are reasonable terms and conditions of employment and are hereby approved.
4. Consistent with, and subject to, the terms of the Statement of Work and this Order, KE Andrews is hereby authorized to perform the Services provided for in the Statement of Work; *provided, however,* that notwithstanding anything to the contrary to the Application, KE Andrews shall not perform additional services outside the scope of the Engagement Letter and the Statement

of Work without further order of the Court, to be obtained pursuant to the process set forth in paragraph 9 of this Order.

5. The terms of the Engagement Letter and the Statement of Work, including without limitation, the compensation provisions, are reasonable terms and conditions of employment and are hereby approved.

6. KE Andrews is a “disinterested person” as defined in section 101(14) of the Bankruptcy Code and as required by section 327(a) of the Bankruptcy Code.

7. KE Andrews shall file monthly, interim, and final fee applications for the allowance of compensation for services rendered and reimbursement of expenses incurred in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the U.S. Trustee Guidelines, and any other applicable procedures and orders of this Court and consistent with the proposed compensation set forth in the Engagement Letter and Statement of Work. KE Andrews’ fixed fees pursuant to the Engagement Letter and Statement of Work (and any supplemental engagement agreements or statements of work subsequently approved in these cases) shall be subject to the standard of review set forth in section 330 of the Bankruptcy Code.

8. Notwithstanding anything to the contrary in the Application, the Engagement Letter, or the Statement of Work, KE Andrews will not charge the Debtors’ estates for time spent preparing or reviewing any invoices or time records submitted in support of any fee application or monthly fee statement filed in these chapter 11 cases; *provided* that time spent on privilege analysis related to such fee applications or monthly fee statements may be compensable by the Debtors’ estates; *provided, further* that KE Andrews shall not seek reimbursement from the Debtors’ estates for any fees incurred in defending any of their fee applications in these chapter 11 cases.

9. To the extent the Debtors and KE Andrews enter into any additional engagement letters or statements of work, the Debtors will file such engagement letters or statements of work with the Court and serve such engagement letters or statements of work upon the U.S. Trustee, counsel for the Committee, and any party requesting notice under Bankruptcy Rule 2002. If any party objects to the additional services to be provided by KE Andrews within fourteen days of such new engagement letters or statements of work being filed and served, the Debtors will promptly schedule a hearing before the Court. All additional services will be subject to the provisions of this Order. To the extent no related timely objections are filed, such additional engagement letters shall be deemed approved pursuant to this Order.

10. In the event that, during the pendency of these chapter 11 cases, KE Andrews seeks reimbursement for any attorneys' fees or expenses, the invoices and supporting time records from such attorneys shall be included in the respective fee applications, and such invoices and time records shall be in compliance with the Local Rules and subject to any U.S. Trustee Guidelines and Court approval under the standards of sections 330 and 331 of the Bankruptcy Code, without regard to whether such attorney has been retained under section 327 of the Bankruptcy Code.

11. KE Andrews will review its files periodically during the pendency of these chapter 11 cases to determine whether any disqualifying conflicts or other circumstances exist or arise. If any new relevant facts or relationships are discovered or arise, KE Andrews will use reasonable efforts to identify such further developments and will promptly file a supplemental declaration, as required by Bankruptcy Rule 2014(a).

12. KE Andrews shall use its reasonable efforts to avoid any duplication of services provided by any of the Debtors' other retained professionals in these chapter 11 cases, including Ernst & Young LLP.

13. The Debtors and KE Andrews is authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Application.

14. Notice of the Application satisfies the requirements of Bankruptcy Rule 6004(a).

15. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

16. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

17. Notwithstanding any provision to the contrary in the Application, the Engagement Letter, or the Statement of Work, the Court shall retain jurisdiction to hear and to determine all matters arising from or related to implementation, interpretation, or enforcement of this Order and KE Andrews' retention.

18. To the extent that there is any inconsistency between the Engagement Letter, the Statement of Work, the Application, the Thompson Declaration, and this Order, the provisions of this Order shall control.

19. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

IT IS SO ORDERED.

Dated: June 6, 2023
New York, New York

/s/ Martin Glenn
MARTIN GLENN
Chief United States Bankruptcy Judge

Exhibit 1

Engagement Letter



Ms. Jenny Fan
Celsius Mining LLC
50 Harrison Street, Suite 209F
Hoboken, NJ, 07030

Dear Ms. Fan,

K.E. Andrews ("KEA") appreciates the opportunity to assist in managing Celsius Mining LLC's ad valorem taxes for the 2022 and 2023 tax years. This letter agreement ("Agreement") outlines the terms and conditions of our engagement.

Engagement Scope

KEA will be responsible for the administration of Celsius Mining LLC's ad valorem taxes for properties owned or operated by Celsius Mining LLC or its subsidiaries or affiliates as of January 1, 2022 and January 1, 2023 (the "Properties") for the Tax Years 2022 and 2023. This service (the "Service") will include the preparation and filing of business personal property returns, negotiation of values, meeting with the Appraisal Review Board or Board of Equalization when necessary and securing proper tax statements covering the properties.

Engagement Period

January 1, 2023 through February 28, 2024.

Compensation

In consideration of this Service, it is agreed that you will pay KEA a flat fee for Tax Year 2022 and Tax Year 2023, in the monthly amounts listed in Exhibit A and Exhibit B. Payment is due thirty days from the invoice date. If for any reason, an invoice is more than thirty days past-due, the Service will automatically terminate.

- **Tax Year 2022: \$75,000**
- **Tax Year 2023: \$300,000**

Additional properties acquired during the year that require our involvement will be added at the same fee structure as the assets that are part of this agreement. Abatements, exemptions, litigation defense, audits or consulting on additional projects will be invoiced at year-end based upon predetermined and documented amounts as mutually agreed upon between Celsius Mining LLC and KEA.

Limitation of Liability

KEA is not responsible for verifying, auditing, or otherwise ensuring the accuracy of data transmitted to KEA by the client. KEA will rely on client to provide complete, accurate and timely information; any additional tax, penalties or interest incurred resulting from incomplete, inaccurate or untimely information will be solely client's responsibility, except to the extent KEA has failed to perform under this agreement.

In any event, KEA will not be held financially responsible for any loss or damage in an amount greater than the compensation earned by KEA under this agreement. This agreement will be construed under the laws of the State of Texas.

This firm is regulated by the Texas Department of Licensing and Regulation, P. O. Box 12157, Austin, Texas 78711, 1-800-803-9202; www.license.state.tx.us/complaints.

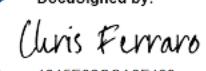
If applicable, we also enclose a letter of authorization, which is required by the state of Texas. This authorization must be signed and returned in order for this firm to administer your taxes.

If the above arrangements are acceptable, please sign one copy of this letter and return at your convenience. We appreciate this opportunity to perform this tax service and strengthen our continual relationship. If you have any additional questions, please contact Ben Thompson at (469) 298-1594 or e-mail to bthompson@keatax.com.

Sincerely,



Ben Thompson
Vice President – Energy Services
K.E. Andrews & Company

DocuSigned by:

1315E92CCA0F408...

Full Name: Chris Ferraro

Title: Authorized Signatory of Celsius Mining LLC

Date Signed: 3/6/2023

Exhibit A - 2022 Fee Schedule

State	Location	Address	KE Andrews Fee
GEORGIA	DNN1-GA	2205 Industrial South Rd, Dalton, GA	25,000
KENTUCKY	CAL1-KY	1035 Shar-Cal Rd, Calvert City, KY	25,000
NORTH CAROLINA	MBL1-NC	155 Palmer LN, Marbe, NC	12,500
	MBL2-NC	155 Palmer LN, Marbe, NC	12,500
		TOTAL:	75,000

Payment Schedule

Payment #	Invoice Date	Due Date	Amount
1	1/1/2023	1/31/2023	6,250
2	2/1/2023	2/28/2023	6,250
3	3/1/2023	3/31/2023	6,250
4	4/1/2023	5/31/2023	6,250
5	5/1/2023	6/30/2023	6,250
6	6/1/2023	7/31/2023	6,250
7	7/1/2023	7/31/2023	6,250
8	8/1/2023	8/31/2023	6,250
9	9/1/2023	9/30/2023	6,250
10	10/1/2023	10/31/2023	6,250
11	11/1/2023	11/30/2023	6,250
12	12/1/2023	12/31/2023	6,250

TOTAL: 75,000

Exhibit B - 2023 Fee Schedule

State	Location	Address	KE Andrews Fee
GEORGIA	DNN1-GA	2205 Industrial South Rd, Dalton, GA	12,500
	DNN2-GA	2205 Industrial South Rd, Dalton, GA	12,500
	DNN3-GA	206 Boring Drive, Dalton, GA	25,000
	DGL	698 Brantley Blvd, Douglas, GA	25,000
	WPT	2131 Old W Point Rd, West Point, GA	25,000
KENTUCKY	CAL1-KY	1035 Shar-Cal Rd, Calvert City, KY	12,500
	CAL2-KY	1035 Shar-Cal Rd, Calvert City, KY	12,500
NORTH CAROLINA	MBL1-NC	155 Palmer LN, Marbe, NC	12,500
	MBL2-NC	155 Palmer LN, Marbe, NC	12,500
TEXAS	COT2	1939 FM 2119, Cottonwood, TX	12,500
	COT1	1939 FM 2119, Cottonwood, TX	12,500
	DETN-TX	8171 Jim Christal Road, Denton, TX	25,000
	GARDEN	6661 E. Highway 158 Garden City, TX	25,000
	REBEL	15135 State Highway 158 Garden City, TX	25,000
	STILES	13345 North State Highway 137 Big Lake, TX	25,000
	LINKEX	3535 N. Houston School Rd, Suite 200, Lancaster, TX	25,000
			TOTAL: 300,000

Payment Schedule

Payment #	Invoice Date	Due Date	Amount
1	1/1/2023	1/31/2023	25,000
2	2/1/2023	2/28/2023	25,000
3	3/1/2023	3/31/2023	25,000
4	4/1/2023	5/31/2023	25,000
5	5/1/2023	6/30/2023	25,000
6	6/1/2023	7/31/2023	25,000
7	7/1/2023	7/31/2023	25,000
8	8/1/2023	8/31/2023	25,000
9	9/1/2023	9/30/2023	25,000
10	10/1/2023	10/31/2023	25,000
11	11/1/2023	11/30/2023	25,000
12	12/1/2023	12/31/2023	25,000
			TOTAL: 300,000

Exhibit 2

Scope of Work

SCOPE OF WORK

KE Andrews ("KEA") will manage all aspects of the Celsius Mining LLC ("CELSIUS") ad valorem tax process including:

KEA will:

- Manage all aspects of **CELSIUS** ad valorem tax process for the properties below. This will include filing include renditions, allocation reports, negotiating values, filing and negotiating protests and processing tax notices and statements.
- KEA will involve **CELSIUS** personnel and representatives in the value negotiation process where appropriate to ensure that the most favorable values are secured.
- Services include work on taxes paid by **CELSIUS** that are not currently listed on the estimated fee schedule.
- Monitor developments in state and local tax law for areas where **CELSIUS** has or plans to have assets. Coordinate with appropriate **CELSIUS** personnel and advise on property tax issues that impact planning. Supply custom reporting for property tax management and web access to all source documents. Have periodic face-to-face meetings with the **CELSIUS** representatives and personnel regarding KEA performance and property tax opportunities related to acquisitions and divestitures.
- File all renditions in appropriate jurisdictions and work properties through the KEA system for value reduction opportunities.
- Negotiate values with appraisal districts and other taxing jurisdictions and obtain **CELSIUS** personnel input regarding valuation issues on a timely basis prior to appeal deadlines.
- Manage deadlines and file protests where necessary, attend and represent **CELSIUS** in all informal and formal appraisal review board hearings.
- Process/audit all tax notices in KEA system for verification and provide data for property tax accruals by jurisdictions.
- Process/audit all tax statements through the KEA system, summarize tax by jurisdiction and furnish to **CELSIUS** for timely payment.
- Represent **CELSIUS** at local and state meetings on property tax.
- Coordinate with governmental affairs to stay informed on changes in property tax laws and advise/evaluate impact on **CELSIUS**.
- Provide property tax planning for acquisitions, divestitures, budgeting and accrual needs.
- Our agreement covers tax year 2022 and 2023.